

Meeting the Challenge to Higher Education

Accessibility, Affordability, and Accountability

The 1961 Master Plan for Higher Education expresses the State's commitment that every qualified student have the opportunity to enroll in a high-quality and affordable public college or university. This Administration has exceeded the promise of the Master Plan by making major progress and a significant commitment of resources to ensure that our higher education institutions are accessible, affordable, and accountable.

The 2002-03 Budget provides \$3.4 billion in General Fund resources for the University of California (UC), an increase of 33.7 percent over the last four years; \$2.7 billion for the California State University (CSU), an increase of 30.3 percent over the last four years; and \$2.9 billion for the California Community Colleges (CCC), an increase of 29.2 percent since 1998-99. Of the funding proposed for 2002-03 for all three segments, \$260.6 million provides full funding for enrollment increases, thereby allowing the UC, the CSU, and the CCC to admit all eligible applicants.

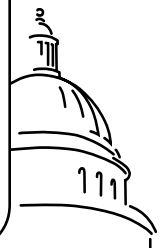
Improving Accessibility

Since the late 1990s, higher education enrollment in California has increased dramatically as predicted in the Tidal Wave II forecasts prepared by the California Postsecondary Education Commission. Since 1998-99, total enrollment at the UC has increased by 17.1 percent; at the CSU by 16.1 percent; and at the CCC by 13.8 percent. Total enrollment in the three higher education segments now exceeds 1.6 million full-time equivalent students—the largest public higher education program in the nation.

To honor the commitment to access articulated in the Master Plan, the Governor not only fully funded enrollment at the UC, the CSU, and the CCC during his tenure, but took further steps to expand opportunities for higher education and to accommodate enrollment growth as discussed below.

Broadening Admissions—At the suggestion of the Governor in 1999-00, the UC has provided an alternative admissions path for high school graduates who traditionally have not qualified for admittance to the UC system. This new path provides for admission of the top four percent of graduating seniors in each California high school. This policy has extended higher educational opportunities to more than 2,100 additional students from communities with traditionally low college-going rates, including students living in rural areas of California.

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UC Merced—Another major accomplishment of this Administration is the development of a 10th UC campus in Merced County to help accommodate the expected enrollment increases in future years and, more importantly, provide increased access to Central Valley residents and economic potential to that region. The Governor has requested that the campus be ready to serve its first students Fall 2004.

Year-Round Instruction—To accommodate enrollment demands within existing facilities, the Governor has provided funding to the UC and CSU for the implementation of year-round instruction. These funds support the full cost of existing summer enrollment and equalize student fees for summer sessions with fees charged during other sessions. The 2002-03 Budget provides \$76.3 million for year round instruction at selected UC and CSU campuses, with expansion of this program to UC Davis and CSU Chico in the budget year. Student participation in this program, which initially included three UC campuses and all or part of 10 CSU campuses, has exceeded the expectations of both UC and CSU.

Community College Transfers—The partnership between the State and each of the higher education segments comprises an agreement for State funding commitments within available resources in exchange for the segments fulfilling certain accountability goals (see Demanding Accountability discussion below). Both the UC and CSU have dedicated resources under their partnership agreements to increase the number of CCC transfers to their institutions. In addition, the CCC has made progress in increasing the number of its students who transfer to a baccalaureate institution. As a result of these efforts, the number of CCC transfers to UC and CSU has increased by six percent per year.

General Obligation Bonds for Facilities—In November 1998, voters statewide passed Proposition 1A, which provided \$6.7 billion in bond funds for K-12 public school facilities needs and \$2.5 billion for higher education facilities needs. Under the leadership of this Administration, the State has fully allocated Proposition 1A higher education funds for new or renovated space to accommodate enrollment growth; vital seismic, fire and life safety projects; and correction of code deficiencies. These bond funds have gone a long way toward meeting the higher education facilities needs of California; however, significant facilities challenges remain.

The Department of Finance estimates that the five-year infrastructure need for the UC, CSU, and the CCC exceeds \$5 billion. This Administration will support a single general obligation bond authorization to allow \$10 billion in K-12 education and higher education facilities general obligation bonds to be placed before the voters on each of the 2002, 2004, and 2006 statewide election ballots. Each of these proposed bond measures would be crafted to meet both K-12 and higher education needs, with \$8 billion in matching funds for K-12 school facilities and \$2 billion in funding for higher education facilities.



Continuing Affordability

This Administration remains committed to ensuring that financial need is not an impediment for eligible students to attend a college or university in California.

No Fee Increases—California continues to provide quality higher education at fee levels that are among the lowest in the nation. The 2002-03 Budget proposes no increase. The fees charged by the UC and the CSU are 5 percent lower now than the levels charged in 1998-99. The fees charged by the CCC are 9 percent lower now than the levels charged in 1998-99.

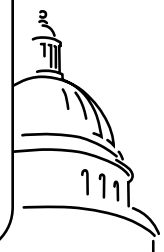
Expansion of the Cal Grant Program—In August 2000, the Legislature passed and the Governor signed one of the most significant higher education measures since the 1961 enactment of the Master Plan for Higher Education. Chapter 403, Statutes of 2000, expanded the existing Cal Grant program to guarantee that college students who meet specified academic and financial need criteria are entitled to receive financial assistance to attend college. Through this measure, which received national recognition, California has demonstrated a strong commitment to ensuring access to affordable higher education.

The Cal Grant program provides various levels of grant awards depending on a student's academic achievement, family or student income, and type of institution attended. The maximum award is currently \$9,708 for those students who attend private universities. In addition to regular Cal Grant awards for undergraduate students, a Cal Grant T award is available to graduate students who are working toward a teaching credential. The 2002-03 Budget provides a total of \$694.3 million for all types of Cal Grants, an increase of \$354.6 million, or 104.4 percent, over the \$339.7 million budgeted in 1998-99.

Demanding Accountability

At the inception of this Administration, the Governor called upon the UC, the CSU, and the CCC to shift their focus and view of all the schools in California as one system of education for all our residents and our State. This call recognized that enormous resources and talent are available in our institutions of higher education and must be made available to help elementary and secondary students succeed, be ready for college, and be equipped to graduate from college.

Partnership Agreement with UC and CSU—The Partnership Agreement with the UC and the CSU ties annual available funding from the State to progress by the segments in achieving their accountability goals. These goals include:



- ❖ Admitting all eligible applicants.
- ❖ Increasing the number of Community College transfers by six percent a year.
- ❖ Increasing teaching workload.
- ❖ Reducing the average length of time to degree for undergraduates and.
- ❖ Improving professional development provided to K-12 teachers.

Both UC and CSU have made tremendous progress in each of these areas of accountability. Over the last four years through the 2002-03 Budget, over \$1.4 billion in funding has been provided to the UC and the CSU under the Partnership Agreement.

Partnership for Excellence with the CCC—Similarly, the Partnership for Excellence with the CCC contains accountability measures to be met in exchange for the State's continuing funding commitment. During the four years of this Administration through the 2002-03 Budget, \$1 billion has been budgeted for the Partnership for Excellence. The CCCs' Partnership accountability goals include increasing the number of students who transfer from a community college to a baccalaureate institution; increasing the number of degrees and certificates awarded; increasing the overall rate of successful course completions; providing increased workforce development; and increasing the number of students who improve their basic skills. Based on data, from 1998-99 to 2000-01:

- ❖ The number of transfers to four-year colleges and universities has increased by 7 percent, allowing nearly 3,000 more students to transfer.
- ❖ Successful course completions within vocational education have increased nearly 10 percent from 1997-98 to 1999-00. As a result, nearly 50,000 additional students were able to obtain specialized skills necessary to fill the workforce needs of California's diverse and competitive business environment.
- ❖ Basic skills improvement has increased by over 11 percent from 1997-98 to 1999-00 to enable 7,000 more students to achieve academic improvement that will help make these students productive Californians.



K-12/Higher Education Collaboratives

The UC and the CSU share responsibility for enhancing the academic preparation and performance of K-12 teachers and students desiring to continue their education after graduation. Over the course of this Administration, both the UC and CSU have participated in numerous collaboratives with K-12 teachers and students. Some of the key initiatives are highlighted below:

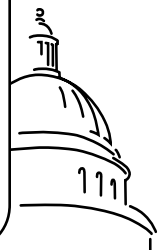
Professional Development for Teachers in Core Subjects—The UC operates Subject Matter Projects in six subject areas designed to enhance the academic content knowledge, teaching effectiveness, and student achievement of K-12 teachers. In 2000-01, this concept was expanded to provide professional development for teachers in K-12 schools.

Chapter 77, Statutes of 2000, established the California Professional Development Institutes for reading, English language development for English learners, high school English, elementary mathematics, algebra, and high school mathematics. In the first year, 861 contract providers served 43,913 participants who work in 4,227 schools located in every county in the state.

In 2001-02, the Governor established the Mathematics and Reading Professional Development Program to provide all of the State's teachers with training in either one or both of these key topics, depending on which subjects and grade levels they teach. All of these teachers should receive training under this program by the end of 2005-06.

In addition, the CSU operates the Faculty-to-Faculty Alliance in which CSU professors and California high school teachers in mathematics and English work to improve the achievement in those subject areas; and the Learning Assistance Program, which recruits CSU students to tutor high school students in English and mathematics.

Professional Development in Education Technology—The CSU also acts as a partner with UC, K-12 school districts, county offices of education, and independent colleges to operate the Education Technology Development Program. Modeled after the Professional Development Institutes discussed above, this Program trains teachers on the use of technology in the classroom.



UC's budget also includes \$500,000 for UC to administer the Governor's Teachers Scholars Program, including participant recruitment and scholarship fundraising. This program, enacted by Chapter 2, Statutes of 1999, of the First Extraordinary Session, recruits highly talented students who wish to become teachers in schools with a high percentage of low-income or English language learners to attend a rigorous teacher preparation program that culminates in the award of a Master's degree. Up to 400 participants will receive scholarships, funded through private donations that cover university fees and mandatory campus-based fees.

Governor's Principal Leadership Institutes—Chapter 2, Statutes of 1999, of the First Extraordinary Session, provided \$1 million for master's degree programs to help meet the demand for highly trained school-based management personnel.

Increasing Access to Advanced Placement (AP) Courses—The Governor designated the UC as the lead agency for developing on-line AP courses to help students who attend schools that offer no or very few AP courses. Completion of AP courses can make a significant difference in helping students to gain admission to the college or university of their choice. In Fall 2001, the program served 180 schools with enrollment of 2,100 students, an increase of 1,136 students over Spring 2001.

Promoting Cutting-Edge Research

The 2001-02 Budget included the initial installment of a commitment to provide the UC with \$75 million a year for four years to develop three world-class centers for cutting edge research in science and technology. The Administration provided funding for a fourth institute in 2001-02. State funds are matched on a two-to-one basis from non-State funds. Including funding proposed in the 2002-03 Budget, a total of \$265 million has been budgeted for these institutes (\$84.8 million General Fund, \$180.2 million lease revenue bonds).

With the establishment of these institutes, California will maintain its premier standing in science and technology and economic competitiveness, while fostering new educational environments for students who will become our next generation of scientists and technological leaders.

The following four Institutes are already underway:

- ❖ The California NanoSystems Institute, at UCLA in collaboration with UC Santa Barbara.
- ❖ The California Institute for Telecommunications and Information Technology, at UC San Diego in collaboration with UC Irvine.



- ❖ The California Institute for Bioengineering, Biotechnology and Quantitative Biomedicine, at UC San Francisco in collaboration with UC Berkeley and UC Santa Cruz.
- ❖ The Center for Information Technology Research in the Interest of Society at UC Berkeley, in collaboration with UC Davis, UC Merced, and UC Santa Cruz.

